

**CIVIL AIR PATROL
SUPPLEMENTAL RESPONSE
TO
AUDIT REPORT
D-2000-075**

B. Property Accountability

Recommendations:

B.1.a. The report recommended that the Executive Director, Civil Air Patrol establish a standardized equipment authorization that a wing needs to accomplish its mission. The Civil Air Patrol National Commander concurred with the recommendation, stating that this has already been accomplished with respect to communications equipment and that the remainder is under study by its management consultants PricewaterhouseCoopers, with implementation expected by August 1, 2000. The audit response requested the National Commander provide specific details on how the PriceWaterhouseCoopers study will satisfy the intent of this recommendation.

Supplemental CAP Comments: The establishment of a standardized wing equipment authorization has been deleted from the scope of the PricewaterhouseCoopers study. Instead, the Air Force is now assisting CAP in developing the recommended standardized equipment authorization for CAP wings. Equipment standards will be based on mission, required capability and size of units. CAP-USAF/LG is polling wings for inputs. Due to complexity of standardizing equipment needs for wings operating from the tropics of Puerto Rico to the Alaskan arctic, from the sea level coastal environment to the highest mountain peaks, and with varying levels of demand for emergency services, cadet programs and aerospace education, anticipated implementation has slipped to 1 Jan 01. Preliminary compilation of information is anticipated to be completed by 1 Oct 00.

B.1.b. The report recommended that the Executive Director, Civil Air Patrol implement the policies and procedures for accounting for non-expendable equipment acquired with DoD appropriated funds. The Civil Air Patrol National Commander concurred with the recommendation, stating that inputs are being gathered from the PricewaterhouseCoopers study in progress and from select CAP regions and wings, with implementation expected by August 1, 2000. The audit response requested the National Commander provide specific details on how the PricewaterhouseCoopers study will satisfy the intent of this recommendation.

Supplemental CAP Comments: This establishment of standardized equipment authorizations and accounting for non-expendable equipment has been deleted from the scope of the PricewaterhouseCoopers study. At its 19 — 20 Nov 99 meeting, CAP's National Executive Committee (NEC) adopted the DoDGAR section 32.2 definition of equipment as the threshold for equipment accounting requirements. In coordination with CAP-USAF/LG, an extensive rewrite of CAP Regulation 67-1 governing the policies and procedures for accounting for equipment is in progress. Under consideration for 19 — 20 May 00 NEC meeting is a proposal to require unit accountability for all computers and communication equipment for the duration of its useful life. Units would be held accountable for all other equipment having a fair market value of \$2,000 or more and a useful life greater than one year. The revised regulation will also establish procedures for each unit to identify items that should no longer be on the accountable equipment list, a process for deleting such items from the list, and an office in CAP

National Headquarters responsible for approving removal of items no longer requiring accountability. The revised regulation is expected to be issued 1 Aug 00 with full implementation by 1 Oct 00.

C.1.a. The report recommended that the Executive Director, Civil Air Patrol monitor the filing of CAP Form 108, Civil Air Patrol Payment and Reimbursement Document for Aviation, Automotive, and Miscellaneous Expenses, and provide guidance to those wings in need of assistance. The Civil Air Patrol National Commander concurred, stating that accomplishment is contingent on availability of funding for additional staff, information systems, software, and programming to automate and streamline submission, approval, and reimbursement processes and to provide Internet-based training, with implementation expected within 6 months of funding availability. The audit response stated disbelief that additional staff is needed to satisfy the intent of this recommendation, expressed the opinion that liaison office personnel and the counterdrug officer for each wing could provide guidance and assistance as needed, and requested the National Commander reconsider his position and provide additional comments.

Supplemental CAP Comments: Liaison office personnel, counterdrug officers and others now provide guidance and assistance on the filing of Form 108. As a result of the Audit Report, CAP has heightened the awareness of liaison personnel and volunteers of the importance of timely and correctly completing and submitting this Form. In accordance with the Joint Report to Congress dated 2 Dec 98, submitted by the Air Force and CAP, planning is underway for the CAP wing liaison function to return to the Air Force (CAP-USAF) by 1 Oct 00. CAP has requested CAP-USAF continue to assign this function of providing CAP members the recommended guidance and assistance to wing liaison personnel. CAP-USAF has confirmed its intent to have wing liaison staff continue to provide those services.

Meanwhile, CAP has expanded and improved curriculum content on the subject of proper use of the Form 108 in the semi-annual Counterdrug Orientation Distance Learning satellite television broadcast training program. (See also: supplemental comment to C.1.c., below.) These curriculum improvements were implemented in the most recent broadcast on 18 March 00, which was downlinked to 81 training sites nationwide, where it was viewed by 1,884 CAP senior members and liaison staff. This training will better enable liaison personnel and counterdrug officers to continue to provide the recommended guidance and assistance as needed. However, CAP believes that this guidance could be more widely, timely and effectively distributed to the general membership via Internet-based distant learning. Likewise, CAP believes that the monitoring function would benefit from an automated electronic filing capability including a coaching function that would aid members in correct completion of the form while accomplishing the additional desired outcome of paperwork reduction. Such training and electronic filing capabilities are dependent upon funding to acquire additional information systems, with associated programming, software and Internet access for units in the field.

C.1.b. The report recommended that the Executive Director, Civil Air Patrol establish procedures for timely submission of paperwork. The Civil Air Patrol National Commander concurred, stating that accomplishment is contingent on availability of funding for additional staff, information systems, software, and programming to automate and streamline submission, approval and reimbursement processes and to provide Internet-based training, with implementation expected within 6 month of funding availability. The audit response stated disbelief that additional staff is needed to satisfy the intent of this recommendation, requesting the National Commander reconsider his position and provide additional comments.

Supplemental CAP Comments: Procedures for timely submission are contained in CAPR 173-3. This regulation requires members to submit Forms 108 to their wing within 45 days of mission completion and wings to submit Forms 108 to their liaison office within 60 days of mission completion. All CAP members, including wing personnel, are volunteers and the Executive Director has only limited tools with which to enforce this regulation. Although liaison office personnel are paid employees responsible for *reviewing* claims for reimbursement, they cannot force a volunteer member to comply with the 45 day requirement or the volunteer wing personnel to comply with the 60 day requirement. In addition, while the liaison office personnel are paid by CAP, pursuant to the job description contained in the Memorandum of Understanding between CAP and the Air Force they represent the CAP-USAF and CAP-USAF Liaison Region commanders, not the corporation, in implementing policies and procedures. These liaison personnel are expected to revert to full Air Force employment and control by 1 Oct 00. Thus, CAP maintains that additional corporate employees representing the Executive Director at wing level will be needed to enforce compliance with these requirements, especially following return of the wing liaison offices to the Air Force.

For counterdrug missions, CAP National Headquarters adds 15% to costs reimbursed to wings, to cover administrative expenses of the mission. To enforce regulatory time limits, CAP has recently adopted a policy of not paying that administrative fee to the wing for any counterdrug mission for which the paperwork is not timely submitted in accordance with CAPR 173-3. Implementation of this policy has motivated wings to dramatically improve timeliness in submitting required paperwork on counterdrug missions. As recommended in the DoD/IG Audit Report, CAP is seeking funding authority to pay wings a similar surcharge for other types of missions. Language to permit this is included in draft legislation jointly proposed to Congress on 15 Mar 00 by the Air Force and CAP. If enacted, CAP will impose the same timeliness requirement on wings seeking to receive that administrative expense reimbursement.

C.1.c. The report recommended that the Executive Director, Civil Air Patrol, develop and conduct annual training classes on the procedures for filing for reimbursement. The Civil Air Patrol National Commander concurred, stating that accomplishment is contingent on availability of funding for additional staff, information systems, software, and programming to develop and provide Internet-based training. The audit response requested the National Commander reconsider his position and provide additional comments in response to the final report.

Supplemental CAP Comments: CAP's 61,000 members are widely and thinly dispersed across all 50 states, the District of Columbia and Commonwealth of Puerto Rico. They are organized into 1,700 units, some as small as 8 members. Most are employed full time in other pursuits or are full time students, and most have family and other responsibilities that make demands upon their time and attention. Gathering them together in person annually for formal training classes is impractical. CAP has several years of experience biannually delivering mandatory Counterdrug Orientation Training to members by distant learning over the National Guard's Warrior Network. (See also: supplemental comment to C.1.a, above.) Although this satellite TV based training is capable of reaching every wing, it still requires members to assemble on a set date and time at one of over 80 receiving sites around the nation. If a site experiences technical difficulties (as one or more usually do), frustrated members who traveled to that site are excluded from receiving the training and may be disqualified from continuing their participation in the program until the next offering, 6 months thereafter. It is the studied opinion of Civil Air Patrol that Internet-based distant learning is the more practical solution to many member training needs, because such training is accessible whenever and wherever it is convenient to the member. Content, currency and quality of training delivered by Internet-based distant learning is of known and nationally uniform quality. Eliminating the need for students and faculty to travel to the training and incur expenses for food and lodging away from home reduces costs to the members and the corporation. The multiplicity of Internet routings assures a high degree of availability at all times, simply bypassing inoperative equipment. Many DoD departments, federal agencies and corporations faced with the need to constantly train far-flung work forces, are reaching the same conclusion: that Internet-based distant learning is the preferable means of delivering many kinds of training.

C.1.d. The report's revised recommendation recommended the Executive Director, Civil Air Patrol update Civil Air Patrol Regulation 173-3, Payment for Civil Air Patrol Support, May 1, 1996, to allow the use of a single CAP Form 108 to file claims for reimbursement for multiple missions of similar type, including counterdrug missions. The Civil Air Patrol National Commander nonconcurred, stating that the consolidation of reimbursements for multiple missions on a single form may cause commingling of funding appropriated for specific purposes and confuse the audit trail. The audit response disagreed, noting the usefulness of the mission control number assigned each mission in avoiding such consequences. The audit response requested the National Commander provide additional comments on the revised recommendation.

Supplemental CAP Comments: CAP asserts that it is necessary to distinguish between Forms 108 completed by members for submission to their wing and those completed by the wings for submission to National Headquarters. For Forms 108 completed by members, CAP policy now permits use of a single Form 108 to file claims for reimbursement for multiple *sorties*, but restricts the use of a single form to a single *mission*. The result is that multiple flights can be reported on the same form, provided each flight is flown on the same mission number. Permitting the use of a single Form 108 will not reduce the amount of paperwork generated. This is because wings generally

maintain their paperwork by mission. When all of the paperwork for a mission is completed, the wing forwards the mission package to the wing liaison officer for approval prior to submission to National Headquarters for reimbursement. If members are allowed to report multiple missions to their wing on a single Form 108, volunteer wing staff members will be required to make photocopies of the form for the wing's folder on each mission reported on the member's form. The net result would be an increase, rather than the desired decrease, in paperwork and administrative burden on the volunteer force.

CAP is also concerned that allowing members to file multiple missions on a single Form 108 might actually prove counterproductive in practice. The Audit Report noted that *mission paperwork was not always submitted or processed within required time frames*. CAP is concerned that if allowed to report multiple missions on a single Form 108, some members may tend to hold the form until the page is filled before submitting it. This would further delay the reporting and reimbursement process.

For the Forms 108 prepared by the wings, the process is different for SAR/DR missions than for counterdrug and other missions. Forms 108 for SAR/DR missions are submitted by the wings directly to DFAS — Limestone and payment is made directly to the wings via EFT. Both the Form 108 submitted by the wing and the EFT payment by DFAS use the mission number as the control number for the audit trail, a capability that would be lost if wings reported multiple missions to DAFS on a single form 108. For counterdrug and other missions, Forms 108 are submitted by the wings to National Headquarters, which reimburses the wing from corporate funds and is subsequently reimbursed by DFAS — Limestone. Payments to the wings by National Headquarters also reflect the mission number for which the payment is made, to complete the audit trail. These potentially confusing differences in procedure for reimbursements of different types of missions are compelled by statutory language in 10 U.S.C. 9441 (commonly referred to as the CAP Supply Bill). In March 00, CAP and the Air Force jointly submitted to Congress proposed statutory amendments which would allow the Air Force to advance funds to CAP for these mission costs. If enacted, this will allow unification of the reimbursement process. Wings will submit all requests for reimbursement to National Headquarters, which will pay them from funds already advanced in accordance with a cooperative agreement. This will significantly simplify and speed the process.

CAP believes that in conjunction with that legislative change, the best long term solution to problems of timeliness, accuracy and administrative burden in the reporting and reimbursement process is implementation of an integrated nationwide paperless electronic process for the entire reporting, review and reimbursement loop. (See also: Supplemental CAP Comments to D.1, below.) For these reasons, CAP respectfully reasserts its non-concurrence with this audit recommendation.

D.1. The report recommended that the Executive Director, Civil Air Patrol expand the CAP Form 18 database to include the ability to document individual Civil Air Patrol aircraft flights and member-owned aircraft flights including, at a minimum, sortie duration, mission symbol, mission number, mission performed, and agency supported.

The Civil Air Patrol National Commander concurred, stating that CAP has begun expansion of the database but noting that computers with Internet access are needed at unit level to facilitate data input by volunteers releasing and operating flights. The National Commander stated that implementation is contingent upon funding of that information system expansion, and estimated completion one year following availability of funding. The report requested that the National Commander provide specific details to support the actions taken to expand the database and a plan for implementing the database in response to the recommendation.

Supplemental CAP Comments: CAP is currently working aggressively toward developing a system for data flow that will include the Form 18 as well as other data needs for all levels of command and corporate management. CAP has hired a web developer for this project and has requested proposals from potential contractors to provide a system that will track sortie duration, mission symbol, mission number, mission results, and agency supported. The goal is a paperless system from the point of entering flight data through reimbursement of expenses for the flight. Proposals will be received by 1 May 00. Full implementation will, however, depend upon availability of funds to provide computers with Internet access to at least all flying units.

E.1. The report recommended that the Executive Director, Civil Air Patrol delay the procurement of additional motor vehicles with appropriated funds until Civil Air Patrol needs have been properly justified and validated by historical use data. The Civil Air Patrol National Commander concurred, stating that the recommended delay in procurement has been implemented. The report requested that the National Commander provide additional comments addressing specific implementation details and specifying the time of the delay.

Supplemental CAP Comments: A new vehicle database has been developed. The vehicle inventory has been fully verified by CAP-USAF/LG, including additional mileage data. The Air Force Logistics Management Agency (AFLMA) is now assisting CAP in development of methodology to provide the recommended justification and validation of the vehicle fleet size. The process is anticipated to be in use by 1 Oct 00, with initial validation of fleet size to be completed by 1 Feb 01. New vehicle procurement is expected to resume shortly thereafter if the data justifies the need.